

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Education, to which was referred Senate Bill No. 165, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 education and to make an appropriation.
- 4 Page 1, between lines 7 and 8, begin a new paragraph and insert:
- 5 "Sec. 2. "ADM" has the meaning set forth in IC 21-3-1.6-1.1.
- 6 Sec. 3. "At-risk index" has the meaning set forth in
- 7 IC 21-3-1.8-1.1."
- 8 Page 1, line 8, delete "2." and insert "4."
- 9 Page 1, line 10, delete "3." and insert "5."
- 10 Page 1, line 12, delete "4." and insert "6."
- 11 Page 1, line 16, delete "5." and insert "7."
- 12 Page 2, line 1, delete "6." and insert "8."
- 13 Page 2, line 3, delete "7." and insert "9."
- 14 Page 2, line 5, delete "8." and insert "10."
- 15 Page 2, line 10, delete "9." and insert "11."
- 16 Page 2, line 12, delete "10." and insert "12."
- 17 Page 2, line 13, delete "11." and insert "13."
- 18 Page 2, line 15, delete "12." and insert "14."
- 19 Page 2, line 17, delete "13." and insert "15."

1 Page 2, line 19, delete "14." and insert "16."

2 Page 2, line 21, delete "15." and insert "17."

3 Page 2, line 27, delete "16." and insert "18."

4 Page 9, delete lines 4 through 10, begin a new paragraph and insert:

5 **"Sec. 2. For purposes of computing a tax levy, a distribution of**
 6 **tax revenues, a distribution from the state, or a distribution from**
 7 **the federal government to a sponsor, a student in a charter school**
 8 **shall be treated as a student of the sponsor.**

9 **Sec. 3. (a) Not later than thirty (30) days after the sponsor**
 10 **grants a charter or the date agreed to by the organizer, whichever**
 11 **is later, the sponsor shall distribute to the organizer an amount**
 12 **equal to the operating costs of the charter school for the initial six**
 13 **(6) months of the school year in which the charter school will begin**
 14 **operations, as determined by the budget and financial plans**
 15 **submitted to the sponsor. The amount distributed under this**
 16 **subsection shall be:**

17 **(1) treated as the working capital of the organizer; and**
 18 **(2) repaid to the sponsor in equal installments, without**
 19 **interest, beginning six (6) months after the charter school**
 20 **begins operations and ending:**

21 **(A) three (3) years after the charter is granted;**

22 **(B) on the date set by the sponsor; or**

23 **(C) when the charter is revoked;**

24 **whichever is latest.**

25 **An installment payment to a sponsor may be deducted from**
 26 **distributions made by the sponsor to the charter school under**
 27 **subsection (b).**

28 **(b) This subsection does not apply to revenues and distributions**
 29 **that, under a law or an agreement with the entity providing**
 30 **funding, must be deposited in any of the following funds:**

31 **(1) Capital projects fund.**

32 **(2) Debt service fund.**

33 **A sponsor shall distribute to a charter school a distributive share**
 34 **of tax revenues, state distributions, and federal distributions**
 35 **received by the sponsor for noncapital expenditures. The schedule**
 36 **under which distributions are made under this subsection shall be**
 37 **established in the charter.**

38 **(c) For money received by a sponsor on the basis of a formula**

that utilizes a student count, including:

- (1) average daily attendance;
- (2) average daily membership;
- (3) average daily membership as adjusted by an at-risk index or other factors;
- (4) additional pupil count;
- (5) eligible pupils; or
- (6) number of special education preschool children;

the sponsor shall determine the distributive share of a charter school by calculating the amount of funding that would be available under the formula if the student count of the charter school rather than the total student count of the sponsor were used.

(d) For money:

- (1) that is received by a sponsor for participation in a program or delivery of services; and
- (2) that is not reimbursed on the basis of a student count;

the sponsor shall reimburse the charter school for programs or services provided using the program or service reimbursement rate applicable to the program or services.

(e) If subsections (c) and (d) do not apply, the sponsor shall allocate the money received to the charter school in proportion to the ADM of the charter school multiplied by the sum of one (1) plus the at-risk index of the charter school relative to the total ADM of the sponsor, the charter school, and all other charter schools sponsored by the sponsor multiplied by one (1) plus the total at-risk index of the sponsor, the charter school, and all other charter schools sponsored by the sponsor.

(f) The organizer shall provide the sponsor with the necessary information for the sponsor to make distributions under this section. The department may adopt guidelines for the implementation of this section in order to assure equivalent funding for students of charter schools and sponsors. If a charter school is organized after the date set for the determination of a student count used to make a distribution, the student count of the charter school shall be determined under guidelines established by the department."

Page 9, line 11, delete "3. (a)" and insert "4."

Page 9, line 14, after "information" insert "to verify the accuracy

1 of the information submitted".

2 Page 9, delete lines 18 through 42, begin a new paragraph and
3 insert:

4 "Sec. 5. This section applies to a charter school that has a
5 sponsor that is a state educational institution or the executive of a
6 consolidated city. After verifying the information submitted under
7 section 4 of this chapter, the department shall:

8 (1) compute the state distribution to the charter school for the
9 ensuing calendar year; and

10 (2) make the distribution to the organizer in the same manner
11 that a distribution is made to a public school."

12 Page 10, delete lines 1 through 6.

13 Page 10, line 7, delete "4." and insert "6."

14 Page 10, line 16, delete "3(b) and 3(c)" and insert "3".

15 Page 10, line 18, delete "5." and insert "7."

16 Page 10, line 23, delete "6." and insert "8."

17 Page 16, between lines 41 and 42, begin a new paragraph and insert:

18 "SECTION 3. [EFFECTIVE JULY 1, 2001] There is appropriated
19 to the department of education fifty thousand dollars (\$50,000)
20 from the state general fund in each state fiscal year of the biennium
21 beginning July 1, 2001, and ending June 30, 2003, for its use to
22 carry out its responsibilities under IC 20-5.5 and to provide
23 advisory assistance to school corporations and charter schools for
24 programs under IC 20-5.5".

25 Renumber all SECTIONS consecutively.

(Reference is to SB 165 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 6, Nays 5.

Lubbers

Chairperson